

166.

As used in this subtitle:

(a) An "agent" is a person appointed by an insurer (1) to solicit applications for insurance or annuities or to negotiate insurance on its behalf; and (2) if authorized to do so by the insurer, to effectuate and countersign insurance contracts. The term "agent" shall not include:

(1) Individuals employed and used by agents or insurers for the performance of clerical, stenographic and similar office duties;

(2) Any regular salaried officer or employee of an insurer rendering assistance to or on behalf of a licensed agent, provided that such salaried officer or employee receives no commission or other compensation directly dependent upon the amount of business obtained;

(3) Any person who secures and forwards information for the purpose of group insurance coverage or for enrolling individuals under group insurance coverages or issuing certificates thereunder where no commission is paid for such services.

(B) AN "INDEPENDENT AGENT" MEANS AN AGENT AS DEFINED IN SUBSECTION (A) OF THIS SECTION AND:

(1) WHO IS NOT OWNED OR CONTROLLED BY ANY INSURER OR GROUP OF INSURERS;

(2) WHOSE AGENCY AGREEMENT DOES NOT PROHIBIT THE REPRESENTATION OF MORE THAN ONE INSURER OR GROUP OF INSURERS; AND

(3) WHOSE AGENCY AGREEMENT PROVIDES THAT AT THE TERMINATION OF THE AGENCY THE AGENT'S RECORDS SHALL REMAIN THE PROPERTY OF THE AGENT, AND THAT THE AGENT RETAINS THE USE AND CONTROL OF ALL EXPIRATIONS INCURRED DURING THE AGENCY.

A PERSON OR CORPORATION OTHER THAN AN INDEPENDENT INSURANCE AGENT MAY NOT BE REPRESENTED TO THE PUBLIC AS AN INDEPENDENT AGENT.

[ (b) ] (C) A "broker" is a person who for compensation in any manner solicits, procures or negotiates insurance contracts or the renewal or continuance thereof, on behalf of insureds or prospective insureds other than himself and not on behalf of an insurer or agent.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1976.